

There is a saying among sailors on the sea that "A convoy of ships travel at a speed of the slowest ship in the convoy".

And we, as a nation, are somewhat similar. We will travel at a pace, the pace of the slowest of our own people.

Although Hon'ble Members come here and sit in this House as representatives of the people who elected them, it is my feeling, and my belief that, in this representation, there should be a two-way traffic, not merely or continually asking, asking, asking Government to do everything; but the time has come also, at a time of national crisis, that we ask every able-bodied man throughout the country, to do a little more, to work a little harder because it is not money alone which will make us a great nation; but only by the industry and hard work of our own people can we hope for progress.

I beg to move . . . .

## **OUR PROGRESS: WHAT 5.000 VISITORS SAID**

— FROM NATIONAL TO INTERNATIONAL IDENTITY

*The rapid strides the nation had made since the inception of the National Development Plan on 7th February, 1961, were described by Tun Abdul Razak when he spoke in Parliament on 1964 Development Estimates. "I am proud to say that our nation has gained tremendously in stature." he added.*

MR SPEAKER. Sir. I beg to move that the motion standing in my name be referred to a committee of the whole House. As both this House and the country know, it is not the principle of the Alliance Government to look backward but rather to look forward. However, today. I would like to break with this principle and with this tradition and ask you to look backward over the last three years. I remember vividly the 7th of February, 1961. in our former Parliament building, when I rose to introduce our present National Development Plan. To me it seems as if it were only yesterday.

In the last three years, which have passed quickly, so much has been done and, perhaps, time has, in fact, passed with such speed that these years have been filled, day by day, with tremendous action and activity towards the betterment of our people and our nation.

Not only has the building of our Parliament gained an entirely new stature, but also I am proud to say that our nation has gained tremendously in stature—a stature which has been considerably strengthened and enhanced with the coming together, with free-will and goodwill of our friends and brothers from the three new States of Singapore, Sabah and Sarawak.

Sir, we have no need to waste months and years looking for a national identity. We have a national identity of which we are proud—a national identity of a free and democratic Malaysia. This House—the membership of this House, and the democratic representation of our people throughout the whole of Malaysia—is in itself sufficient proof of our national identity. I honestly believe that no Member of this House, whether he be on the Government benches, or whether he opposes Government policy, has not somewhere deep down in his heart, a silent pride of belonging to this new vital nation of Malaysia of which we have the honour to be citizens.

I think we can take pride, albeit with modesty, in agreeing with those countries throughout the world, who have praised us by describing us as a democratic nation practising democracy with dignity and implementing our Development Plan with deliberate determination and drive.

Now, turning to the Estimates before you, Sir. I should like to stress a point regarding development which is very often forgotten. It is not entirely the amount of money available for expenditure in the Government sector of our Plan. Any Parliament, anywhere in the world, can vote money, provided it has funds available, but the main thing in implementing a development programme is the ability to convert such money into tangible development projects on the ground. So, therefore, equally important to the voting of funds is the capacity of the Government—professional, technical and administrative machinery—to be able to translate more dollars into tangible projects on the ground.

Leaving aside for the moment provision for the State of Singapore, Sabah and Sarawak. Honourable Members will notice that the total expenditure for the implementation of the fourth year of the original Malayan Plan, there is a provision of over \$520 million. Comparing this to the pre-Merdeka year of 1956, there was only \$100 million available for development.

The very fact that we can tackle next year a programme of \$523 million together with an added sum of \$106 million for the

States of Sabah, Sarawak and Singapore is a great compliment to the hard-working ability and devotion to duty on the part of the many thousands of Government officers throughout the country responsible for translating into action, in the form of tangible projects, the words and deliberations of this House.

In other words. Mr Speaker. Sir. to go back to this question of national identity, I should like to add another factor to our national identity, and that is that we, as a nation, have been recognised as being far and away ahead of many other nations in our ability to get a development plan on paper and on to the ground without wasting time about it.

*This, Sir, as I have stated in this House, has been testified by no less than 5,000 overseas visitors, who in the last three years have visited our shores with the express purpose of finding out the technique employed by this Government in the implementation of our development plan. Therefore, we may take pride on the score of development that we not only have a national identity but also we have achieved an international identity. This, Sir, as my Honourable colleague, the Minister of Finance stated in his speech introducing the 1964 Budget, is a measure of our success. and this is the magnitude of our achievement.*

In two respects 1964 will be a noteworthy year in the history of development of the States which make up Malaysia. For the States of Malaya. 1964, will be the fourth year of the Second Five-Year Plan and will enable us to assess the results of what has been achieved during the past three years. In 1964 also the Federal Government will be making its first contribution to the development of Sarawak and Sabah and will be joining for the first time as a partner in the development of Singapore.

As regards Malaya. I think few people still need convincing that the methods we have adopted for planning and achieving the economic and social development of the country have been resoundingly successful. One has only to travel round the country-side to see the large areas under new land development schemes, the many new schools, health clinics, water supplies, roads and bridges, telecommunications services, electrical installations and the like.

Similarly, the air of bustle and confidence in the sphere of commerce and industry is apparent throughout Malaya and is reflected in the reputation which our country enjoys in the

financial centres of the world. It is not surprising, therefore, that what has most attracted the public of Sarawak and Sabah to the idea of joining Malaysia has been the opportunity to share in the kind of progress which our methods of development planning and implementation are allowing us to achieve in the States of Malaya.

During 1964 and 1965 our development effort will be extended to the whole of Malaysia, but nevertheless, the form and individuality of the Plan which we began in 1961 will not be lost. We shall surely be adding to it additional sections to cover the new States. During this time, planning will be going on for what would have been the Third Five-Year Plan for Malaya and will now be the first Malaysia Five-Year Plan covering the period 1966-1970. In this first Malaysia Plan will be included what remains of the development plans, which may already exist in the three new States. The thinking behind the Plan, however, will be a Malaysian thinking aimed at producing the best possible results for all the States of Malaysia considered as a whole.

It was stated last year that a full scale review of the Second Five-Year Plan was being carried out with the object of ensuring that the allocation originally made to the various sectors and projects included in the programme is being tabled this morning before this House. Now, Sir, the effect of the review can be seen in the tabled annexure to the Treasury memorandum on the Development Estimates, Command Paper No. 49 of 1963, where the revised Plan target for each Department is shown together with the cumulative annual total expenditure expected during each year of the Plan.

Sir, this green cover document (Command Paper No. 1 of 1964) is no propaganda pamphlet. This report is the fullest statement yet made of Development performance in Malaya. Achievements are stressed and set forth with considerable detail. The problems and tasks ahead are also discussed to make the report an analysis of all major aspects of Development. We have so far reached a half-time score in the implementation for our development programme; and I can say with pleasure and with pride that the goals we have already achieved, at half time, are considerable. I can also say with assurance that with the continued drive and determination of the Alliance Government, the final score of this Five-Year Plan will be even more satisfactory' because, Mr Speaker, Sir, in spite of confrontation, I can assure this House that the present maximum momentum on Development will be maintained.

*Sir. we are tired of the silly speeches of those who, like political parasites, are perpetually picking at the corpse of colonialism. just because they have nothing else to say and are. perhaps, jealous of the achievements of the Alliance Government (Applause).*

The Alliance Government has established a reputation throughout the country as a Government which will give of its best to the people we serve.

I regret, Mr Speaker. Sir, because of the difficulties of obtaining reliable international statistics, we have not been able to put international comparisons into this review, so that Honourable Members would have an opportunity to compare our progress in Malaya with other countries which have been independent for a similar, or even a longer period than ourselves.

However, if any Honourable Members of the Opposition doubt the achievements of the Alliance Government, they have only to travel in some other Asian countries and see. every mile of the way. the sharp contrast between what they would see there and. on their return, if they were honest enough to admit it. they would have no more doubts about the success of our own Development Plan here in Malaya.

Also, on their travels in other countries they would realise the value of the Malayan dollars they would take with them because, in spite of the tremendous amount of money, which the Alliance Government has put into sound and solid Development. it has been a good caretaker of the country's wealth and has been able to achieve all these results without either causing inflation or raising in any way the cost-of-living index, which shows very little change over the whole period that this Development review covers.

Sir. one feature of the review has been the contribution made to development expenditure by States and statutory authorities from their own resources. At the time the current Plan was being prepared, very little information was available on which a forecast could be made of the contributions, which could reasonably be expected towards the Plan. At the time, the planners included a figure of only \$360 million for these bodies, of which \$220 million represented State Government expenditure and \$160 million expenditure by other public authorities, such as the Central Electricity Board. Malayan Railway. Port authorities and the Municipalities. The revised target, which has been prepared in

the light of actual achievements in 1961 and 1962 is no less than S576 million, of which S267 million is State expenditure and S236 million is expenditure from the resources of the Central Electricity Board.

These amounts are in addition to the grants and loans, which have been made to these authorities from the funds of the Federal Government. The review has also resulted in changes in the expenditure targets of many of the departments of the Federal Government—in some cases upwards and in some cases downwards. The main increases are for rural development, roads and bridges, telecommunications, broadcasting, television and commerce and industry. Very considerable increases have, of course, been necessary for the Police and for defence, reflecting the centrally incurred expenditure which is attributable to Malaysia. Where decreases have taken place, they have been due to a more realistic phasing of departmental programmes, involving the postponement of some portions until the next Five-Year Plan. In that part of the Plan which relates to Federal Government expenditure, there has been an increase of \$564 million over the original target figure, out of which Defence and Internal Security account for \$319 million and other sectors for S245 million.

I am pleased to state that the allocation among sectors, excluding Defence and Internal Security requirements, still gives the economic sector no less than 71.3 per cent of the total outlay.

Sir, with the transmutation of the old Federation of Malaya into the new and larger entity of Malaysia, it is not surprising that the Development Estimates for 1964 now tabled provide for a higher figure expenditure than ever before. I am glad to say that the resources available to meet this expenditure have also been increased, and in this connection I would draw the attention of Honourable Members to the statement of estimated income of the Development Fund for 1964 appearing at the beginning of the Development Estimates. From this table, it will be seen that we expect to receive \$60 million from the British Government as a grant towards the capital cost of Malaysia defence and \$17 million as a grant for the development of the Borneo States.

Singapore will provide \$13 J million in reimbursement of Federal development expenditure in that State and also a sum of S30 million representing the first instalments of the loan for development of the Borneo States in accordance with the terms of the Malaysia Agreement. These sums, amounting to more than S120

million, will be available to help towards the expenditure provided for in these Estimates, and it will thus be clear that Malaya is not being left alone to bear the burden of Malaysia entirely from its own resources.

*At this stage Tun Razak gave details of the allocation of funds under various heads and then continued;*

Under the financial arrangements agreed for Malaysia, the sound financial position of Sabah was recognised, and the contribution which the State is able to make towards its own development is thus proportionately a high one. For 1964, this State has not sought any grant or loan from the Federal Government for subjects which are the constitutional responsibility of the State, as is the case with all the States of Malaya and Sarawak. All the provision under the Heads relating to Sabah, therefore, represents direct Federal expenditure on subjects which are a direct Federal responsibility.

The expenditure provided for in the Sarawak section of the Estimates amounts to \$56.5 million and constitutes the Federal element in the first phase of the new Sarawak Development Plan 1964-1968, copies of which have already been tabled in this House. It so happened that the establishment of Malaysia coincided with the end of the current Sarawak Development Plan, and the new one has been prepared taking into account the extra resources and technical assistance which are likely to be available as a result of Malaysia. Although the Plan has now been prepared on a State basis, that part of it which represents the Federal share will naturally become merged with the Malaysia Five-Year Development Plan beginning in 1966, which I mentioned earlier in my speech.

Sarawak is at present a relatively undeveloped State and a large amount of capital investment is necessary, in order to bring its economic and social development up to the level of other States of Malaysia. With the assistance that the British Government and the State of Singapore are providing under the Malaysia Agreement for development in the Borneo States, I feel reasonably confident that the expenditure target set out in the Sarawak Development Plan can be achieved without an undue strain on the resources of Malaysia.

Now, the section dealing with development expenditure in Singapore has an unusual feature in that, unlike all the remaining

Heads of the Development Estimates, this group provides for expenditure by the Federal Government which will be reimbursed by the State concerned. Under the Malaysia Agreement, development expenditure on Federal projects in Singapore which are predominantly of benefit to that State is reimbursable by the Singapore Government. Where such expenditure is not predominantly for the benefit of Singapore but is required for Malaysia as a whole, the amount to be reimbursed by Singapore is subject to negotiation.

The four parts of these first Development Estimates for Malaysia, the contents of which I have briefly outlined, add up to a total of S721.5 million. From experience, it is reasonable to estimate that there will be an overall carry-over of about 20 percent, into 1965 so that actual expenditure in 1964 will probably be about S578 million.

In respect of development expenditure in the States of Malaya, the level of expenditure will probably be similar to that achieved in 1963. The same will no doubt apply to Singapore. In Sarawak and possibly in Sabah, the actual level of performance may well be lower than the budgeted figure, as this will be the first year of the new Sarawak Development Plan and construction capacity and the machinery for development planning and project execution will not have been fully built up.

Now, Sir, in introducing past phases of the Second Five-Year Envelopment Plan, the Government has tended to stress the achievements which can be expected in the future. At this stage, we are already able to see a promising measure of positive results. At the same time, we must take a further look into the future as a result of the vast new commitments which are being undertaken with the establishment of Malaysia. Were it not for the measure of success, which we have already demonstrably achieved, it is difficult to imagine that the Federal Government could contemplate offering to the Borneo States the prospects of economic development referred to in the Report of the Inter-Governmental Committee on Malaysia.

Further resources will have to be found during the course of the next few years, both from domestic revenue and from internal and external borrowing. However, I have little doubt that our economic position and our international reputation for financial stability will be sufficient to enable us to meet this challenge and

to promote the welfare and prosperity of all the inhabitants of Malaysia effectively, whether they dwell in the old States of Malaya or in Singapore or Sarawak or Sabah. Sir, I beg to move,

*That pursuant to Standing Order 67c the following Motion be referred to a Committee of the whole House.*

*That this House resolves that a sum not exceeding \$721J87J20 be expended out of the Development Fund in the year 1964. and that to meet the purposes of the Heads and Sub-heads set out in the second column of the Statement laid on the Table as Command Paper No. 46 of 196J. there be appropriated the stints specified against such Heads and Sub-heads in the ninth and tenth columns in respect of Heads 100\*153 and the eighth and nine columns in respect of Heads 155\*210.*

## **THE BEST FORM OF GOVERNMENT**

### **AN APPEAL TO LEADERS OF COMMERCE**

*During the following speech in Parliament on 1963 Development Estimates Tun Abdul Razak appealed "to the various captains of the industry and leaders of commerce and finance to set up. on their own. a machinery which will harness the best brains and the best thinkers in the Private Sector and crystallise their efforts into a definite boosting charge to the Private Sector of our economic plan."*

I have spoken at some length in Malay on the achievement, that we have made in implementing our Second Five-Year Development Plan. Although we have not yet reached half time in this Five-Year Development Plan our score is high and, as I have indicated in 1962, we will spend more than we had anticipated. This means that we are, in fact, ahead of schedule in producing the many hundreds of economic projects included in our National Plan.

This, Sir, is ample proof that we are not lacking in our determination to implement our Development Plan with speed and efficiency. I think, we can well be proud of the progress that have achieved so far.